VZCZCXRO4157 PP RUEHAST RUEHBI RUEHDBU RUEHLH RUEHPW DE RUEHCI #0295/01 2641137 ZNR UUUUU ZZH P R 211137Z SEP 07 FM AMCONSUL KOLKATA TO RUEHC/SECSTATE WASHDC PRIORITY 1700 INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE RUEHUNV/USMISSION UNVIE VIENNA 0018 RUCNDT/USMISSION USUN NEW YORK NY RUEHGV/USMISSION GENEVA 0053 RUEAIIA/CIA WASHDC RUEHNE/AMEMBASSY NEW DELHI 1606 RUEHRC/DEPT OF AGRICULTURE WASHINGTON DC RUEATRS/DEPT OF TREASURY WASHINGTON DC RUEHCI/AMCONSUL KOLKATA 2084

UNCLAS SECTION 01 OF 03 KOLKATA 000295

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TAGS: PGOV PREL IN
SUBJECT: WEST BENGAL VILLAGERS WANT FOOD NOT IDEOLOGY: ATTACK
COMMUNIST OFFICIALS

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11. (U) Summary: On September 16, villagers in West Bengal's (WB) Left Front ruled Bankura district attacked local Communist leaders who had arranged a meeting to protest the U.S.-India civil nuclear agreement (referred to as the 123 agreement). villagers insisted they wanted food, not slogans, and are fed up with the deep-rooted corruption in the public distribution system and the in-fighting between rations dealers (who are Communist Party of India - Marxist (CPM) members.) The developments in Bankura raise a worrisome issue for West Bengal's CPM leadership: that bread-and-butter issues matter more to their electorate than abstract policy issues like the nuclear deal. At the same time, rivalries and factionalism in local level CPM party units are peaking due to the ongoing elections for branch, zonal and district committees in the state. For the WB group of CPM leaders, the practical business of governing a state is putting them at odds with the ideological positions staked out by other CPM leaders on national issues like the 123 agreement. WB Chief Minister Buddhadeb Bhattacharjee announced that he would not resort to blind anti-Americanism; a sign of conflicting priorities within the CPM in the run-up to September 28 Politburo meeting in Kolkata. End Summary.

Food Riots

12. (U) On September 16, villagers in the Bankura district of Left Front-ruled WB attacked local Communist leaders in a meeting that was organized to protest the U.S.-India civil nuclear agreement. Faced with food shortages, the villagers insisted they wanted rice and not slogans. Villagers from Radhamohanpur came to the CPM's "anti-imperialism" protest to complain about the hoarding of food grains by ration-shop owners. Local panchayat (local self-governance bodies) and CPM leader Pabitra Mondal, who was addressing a crowd about the dangers of the 123 Civil Nuclear Agreement, tried to dismiss the villagers, who he had earlier refused to meet. The confrontation turned violent, and the police opened fire, injuring four people. The same day a 1,000-strong mob stormed the house of local CPM leader and ration dealer N.C. Dutta in Kotalpukur village. Violence followed and Dutta himself fired a gun at the villagers, injuring 13. On September 17, a mob beat up rations dealer Moinuddin Chowdhury in Bhagitpore and ransacked the ration shop and home of Fazlur Haq Mullick in Chandai. Similar incidents took place in Barjora, Patrosayer and Gopalpur. On September 19, angry villagers surrounded a

food department convoy and demanded that visiting officials immediately punish corrupt ration dealers. As a result, the state government has suspended twenty-six ration dealers in Bankura district.

Rations for Sale

- 13. (U) Corruption in the public distribution system is deep-rooted. In the state districts, a number of rations dealers are either CPM members or cronies of local party leaders. By virtue of their political clout and party backing, they are allotted dealerships and entitled to collect food grains and kerosene oil meant for distribution to local ration-card holders at fixed rates. Very often, these subsidized rations are instead sold at market rates to other grocers or to the public. This practice inevitably leads to a shortage of food for poor villagers.
- 14. (U) The recent outbursts are not only a manifestation of the ire of the "have-nots," but also indicate in-fighting between local CPM members. In some localities, particular factions within the CPM dominate and reap the monetary benefits. Weaker factions backed the villagers' protests to get even with their rivals. (Comment: Although initially observers suspected Maoist involvement in fomenting the incidents, journalists who interviewed locals who were involved concluded that corruption and internal CPM dissensions were responsible. End Comment.)
- 15. (U) CPM members who are outside the factionalism are unable to contain the in-fighting because the local, corrupt CPM members exercise the de facto control of the vote banks at the grassroots level. The WB government acknowledged that a number of ration dealers are engaged in corrupt practices and ordered a magisterial inquiry into the September 16 incidents. Police have started arresting ration dealers indulging in hoarding and

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siphoning off food grains meant for the public distribution  $\operatorname{system}$ .

Bread, Not Cake

16. (U) The developments in Bankura confront the WB CPM leadership with the worrying prospect that if mid-term elections are precipitated by the Left's withdrawal of support for national government over the 123 Agreement, bread-and-butter issues will matter more to the state electorate than the nuclear deal. CPM General Secretary Prakash Karat's strong objection to the 123 Agreement may be driven by anti-American ideology but was also likely intended to foster unity amongst the Left. T past year, the Left parties have been beset by internal disputes over economic reforms, the March killings in Nandigram of protestors opposed to land acquisition for industry, and differences over large-scale retail investment. However, the CPM leadership worries that mid-term elections could mean fewer seats for the CPM in WB. State secretariat members feel that the deal needs to be opposed, but not by withdrawing support at the Center. State government and party leaders - Chief Minister Buddhadeb Bhattacharjee, State Industries Minister Nirupam Sen, former Chief Minister Jyoti Basu, and Left Front Chairman Biman Basu -- agree that the public would not appreciate snap polls due to the rigid stance of the Left on the nuclear deal, an issue that has no popular appeal at a time when controversies revolve around more local issues like the government's plans to acquire land for industry and corruption.

Poll Peril

17. (U) Moreover, rivalries and factionalism in local level party units are increasing due to the ongoing elections for CPM

branch, zonal and district committees. These party elections are the run-up to the CPM all-India party conference scheduled for January 2008. The CPM's vote bank calculations have also been upset by the small, but growing section of Muslims who feel threatened by the prospective loss of their farmland to the CPM's industrialization drive. For the first time, small, but vocal Muslim parties are appearing and challenging CPM control in some rural and poorer areas of the state. As well the opposition  ${\tt Trinamu\bar{l}}$   ${\tt Congress}$  has sought to position itself as a true supporter of the poor and wrest control of these constituents from the CPM. The state panchayat polls are scheduled for the summer of 2008 and. Early Parliamentary polls may result in the loss of some seats for the Left although it will remain the dominant political force in the state. However, Left-watchers point out that W. Bengal's CPM representatives are still a minority in the Politburo and Central Committee and it would be tough for them to influence the party's decision at the national level should Karat opt for drastic measures towards the national government. The current 17-member Politburo has only three members from W. Bengal. Likewise, the 85-member Central Committee has only 18 West Bengal members.

## Bengal Comrades Strike Back

18. (U) On September 18, in an interview with leading Bengali-language daily Anandabazar Patrika, Chief Minister Bhattacharjee announced that State Industries Minister Sen will be visiting the U.S. to attract investment to W. Bengal. Bhattacharjee explained that the Left has differences with the national governing United Progressive Alliance (UPA) on the nuclear deal and with the U.S. on ideological issues, but that did not mean resorting to blind anti-Americanism. He cited the example of U.S. investments in communist Vietnam. Bhattacharjee is aware that he cannot alter the party's decision if Karat persists with his hard-line on the national stage, but his declarations to the media are his way of publicly asserting the WB state leadership's position to put pressure on Karat in the run-up to the Politburo meeting. Left-watchers have started speculating about the possibility of a change in the top echelons of the CPM during the party conference in early 2008. Many feel that Politburo member Sitaram Yechury would be the perfect choice for the "Bengal group" to replace Karat as General Secretary in the Politburo. Yechury is perceived as a liberal and moderate, particularly compared to Karat, and is considered to be more amenable to progressive ideas and change.

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19. (U) Comment: The WB CPM is caught between state and national priorities. For state CPM leaders "all politics is local." Ideological posturing has to be subordinate to the fundamental vote-bank politics at the state level. The WB CPM are witnessing the initial stirrings of discontent with their policies among their poorest constituents, and while there is no real possibility of their hold on West Bengal being dislodged, the prospect of a weakened position is worrying. The state party unit is keen to avert early elections and protect its newfound economic reform image to further the state's development. Remarks by CM Bhattacharjee seemingly at odds with CPM General Secretary Karat are unusual for a party noted for strictly maintaining a public veneer of consensus and are indicative of growing internal tensions. That said, some in the Kerala group have breached with party discipline yet retained their official positions, which may be emboldening the Bengal group. Statements by CPM officials around the upcoming September 28 Politburo meeting in Kolkata will be good indication of whether the Bengal CPM faction will be able to force Karat to moderate the party's polemic against the 123 Agreement and "American Imperialism," and refocus the party more pressing social and economic issues. ' and refocus the party on JARDINE